

STATE OF WISCONSIN
BEFORE THE ARBITRATOR

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WISCONSIN EMPLOYMENT
RELATIONS COMMISSION

In the Matter of Petition of

TEAMSTERS UNION LOCAL NO. 695

Case No. 64
No. 46722 MIA-1674
Decision No. 27554-A

For Final and Binding Arbitration
Involving Law Enforcement
Personnel in the Employ of

IOWA COUNTY (SHERIFF'S DEPARTMENT)

APPEARANCES:

On Behalf of the Union: Marianne Goldstein Robbins, Attorney -
Previant, Goldberg, Uelmen, Gratz, Miller & Brueggeman

On Behalf of the Employer: Kirk D. Strang, Attorney - Godfrey &
Kahn

I. BACKGROUND

On December 19, 1991, the Union filed a petition requesting the Wisconsin Employment Relations Commission to initiate compulsory final and binding arbitration pursuant to Sec. 111.77(3) of the Municipal Employment Relations Act, for the purpose of resolving an impasse arising in collective bargaining between it and the Iowa County (Sheriff's Department) on matters affecting the wages, hours and conditions of employment of law enforcement personnel in the employ of said Employer. An investigation was conducted on March 19 and November 11, 1992 and February 3, 1993, by a member of the Commission's staff. The investigator advised the Commission that the Parties were at impasse and thereafter they were ordered to select an arbitrator. The undersigned was selected on April 28, 1993, and subsequently the Commission ordered his appointment.

A hearing was held July 19, 1993. Post-hearing briefs and reply briefs were filed, the last of which was exchange October 19, 1993.

II. FINAL OFFERS

The only issue separating the Parties is the appropriate wage adjustment to be made during the two years of the contract for 1992 and 1993. The Employer proposes that the 1991 rates be adjusted by 4% effective January 1, 1992, and that there be a 3% increase January 1, 1993 and a 2% adjustment July 1, 1993.

The Association proposes to "amend the 1991 annual rates to reflect the following catch-up pay increases: Patrol Officer - \$1,000, Dispatcher/Jail - \$1,200, and Secretary/Matron - \$300". In addition, after these dollar amounts are added to the base rates, they propose that there be a 5% across-the-board increase effective January 1, 1992, and a 5% increase effective January 1, 1993

III. ARGUMENTS OF THE PARTIES (SUMMARY)

A. The Union

First, the Union argues that its set of external comparables ought to be accepted by the Arbitrator. They include the counties of Richland, Grant, LaFayette, Sauk, and Green, which are also deemed comparable by the county. In addition, the Union believes the following units to be comparable: Crawford County, Columbia County, and the cities of Dodgeville and Mineral Point. They submit that Columbia County is not only similar in size to Iowa County but falls within the population of the comparables. They also note similarities in the ratio of county law enforcement personnel to population. Regarding the cities of Dodgeville (the county seat) and Mineral Point (the next largest city), the Union believes they, too, are comparable employers. They have the same economic environment and labor market as Iowa County.

In support of its proposal, the Union contends that the external comparables favor the Union's offer. Rather than catch up, the Union's offer merely allows the unit to maintain their relative position. For instance, they note that according to the 1988 Taxpayer Alliance Survey Iowa County was ranked fifth out of the eight comparable counties below Sauk, Columbia, Green, and Richland, but above Grant, LaFayette, and Crawford. Even using

the Employer's comparables, if the Employer offer was granted, Iowa County moves from fourth of six below Sauk, Green, and Richland, but above Lafayette and Grant to last of six. When Dodgeville and Mineral Point are added to the ranking, the Union states the need for catch-up is even more dramatic. Both cities top wage rates for patrol officers in July of 1993 will be greater than either the Union's offers or the Employer's offer: Dodgeville's top patrolmen will receive \$25,704 per year in July 1, 1993, and Mineral Point's would receive \$24,867 per year. This is not the case in Iowa County. The Union's offer is \$24,123 per year. Additionally, the County officers handle more crime. They also contend that the fact that both municipalities outstrip Iowa County in compensation may, in the long run, injure the general welfare by causing the County to lose qualified deputies to these city police forces. This concern is accentuated by better benefit packages in these cities.

Next, the Union contends that the internal comparables favor the Union's offer. They assert that the average Iowa County salary increases for top-level positions in 1993 and 1994 were 20.2% and 10.1% per year, front loaded to the beginning of the two-year period. The Sheriff received a 17.8% increase for 1993-94, 8.9% per annum, front loaded to the beginning of the two-year period. There were similar increases for other management positions ranging from 13.8% to 22.2% for the two years in question. Many of these increases involved catch-up. They also contend that if arguendo, the internal patterns were to suggest to the contrary, the established need for catch-up pay would supersede such pattern.

Next, the Union addresses the cost of living factor. Noting that the cost of living has fluctuated between 6.4% and 1.7% and averaged 3.3%, they contend it is not a basis to reject their catch-up argument. They cite Rock County Department of Public Works, Dec. 24319-A (Vernon, 1987) in support of this position. If the CPI were to control, the wage inequity would not be addressed.

Considering compensation, the Union submits that their total benefit package does not alter, but rather reinforces, the reasonableness of the Union offer. They note that the Union has agreed to changes in health insurance that provide savings to the County of over \$335.22 per family coverage per month under the free standing plan. Even with the second least expensive option (family premium \$459.06), County savings are considerable given the \$404.99 cap. Additionally, this unit does not have, as many comparable units do, longevity pay. All of the comparables, with the lone exception of Green County, have longevity provisions in their compensation packages. These

payments range from \$160 to \$514 per year. They also anticipated the County will rely on its provision of 85% of the dental premium. However, the Union points out that two other counties have the benefit and that at \$16.78 per month, family coverage is a low-cost item.

Last, the Union addresses the County's evidence concerning its ability to pay. Specifically, the County put in evidence concerning the recent flood conditions. However, the Union maintains that none of this evidence establishes that Iowa County is unable to pay the Union's offer or is otherwise relevant to the statutory criteria. They acknowledge Iowa County has a large amount of its land under cultivation and substantial livestock and crop production. However, this does not distinguish it but, if anything, reaffirms its comparability to other units.

B. The Employer

The Employer, like the Union, first addresses the comparable issue. It proposes to utilize the group of contiguous counties as external comparables, consisting of Grant, Green, Lafayette, Richland, and Sauk. They note this group was utilized by Arbitrator Zel Rice in a previous Iowa County arbitration involving the Social Services Department (Dec. No. 23941-A, 5/5/87). They are comparable on the basis of proximity, shared labor markets, shared product markets, and similar cost of living. Regarding the Union's comparables, the County makes the following arguments: (1) There is no evidence the cities of Dodgeville and Mineral Point are comparable and (2) a comparable pool consisting exclusively of county governments is more appropriate according to other arbitrators.

It is the County's position that its wage offer guarantees equitable increases to the bargaining unit. It is equitable in light of internal increases and the hourly minimum and maximum rates fall within the range of the external comparables and results in a historically appropriate ranking. Historically, Iowa County has been neither at the top or bottom in terms of hourly wage rates and neither Party's offer is going to change the result of years of bargaining and depress wages to the bottom or, on the other hand, catapult them to the top. They are not the lowest county, and the fact they aren't a wage leader isn't a basis for catch-up. In fact, the County's wage offer does not result in the Sheriff employees losing ground. The Union's offer has dramatic cost impact. The County's offer in 1992 cost 5.13% (\$1,009 per employee), and the Union offer is 11.5% (\$2,260 per employee).

The Employer explored the importance of internal comparisons in some detail. They view the central issue as to whether the Union should be permitted to depart from a voluntary settlement pattern established with another bargaining unit of the County. The Courthouse unit settled for 4% in 1992 and 3%/2% in 1993. A similar offer was made to the Highway unit, where the Union's offer is identical to the County's and exceeds the County's offer in 1992 by a small margin, 4% versus a 3%/2% split. Therefore, they argue, regardless of the outcome with the Highway, the County's offer here will most closely track with all possible internal union settlements. The County cites numerous awards supporting the idea that the internal pattern deserves significant weight. In this case the County submits that acceptance of the Union's offer will not only result in substantial, unjustified wage increases relative to these employees, but will also result in a vacation schedule which is out of step with the other internal groups.

Regarding the external comparables, it is the Employer's position that their offer is in line with the wage increases provided by other settlements (which were all voluntary). The increases in the comparables range from 1.5% to split increases of 3% and 2%. There was one settlement of 5.9%, but it followed a year with no increase and was coupled with a change in the work week and elimination of automatic overtime costs. Thus, they assert that the comparable settlements plainly show the Employer's 4% in 1992 and 3%/2% in 1993 wage increase offers are equitable and that the 12-17% increases demanded by the Union are overreaching and bad timing.

Last, the Employer spends considerable effort discussing why acceptance of the Union's offer would not be in the interest and welfare of the public. This relates generally to Iowa County's status as an agricultural county and the various crisis affecting farmers. In addition to declining farm income and general economic distress, the County points to the summer floods on top of last year's winter kill. There are also general economic factors supporting their offer, such as: (1) a modest increase in the cost of living and (2) median increases in the private sector of 3%. This just isn't the time, the County says, for wage adjustments, even if needed. The County does not dispute the fact that its wage rates are below the point drawn by the five-county wage average. However, they note the evidence reveals that the Sheriff's Department wage rates have always been in roughly this position, but to them this is no surprise for a rural, farm-based county where taxpayer income levels have also consistently been at or near the bottom.

IV. OPINION AND DISCUSSION

The only difference in the final offers is salary. However, there is also the ancillary issue of which municipalities to consider comparable for purposes of criteria 'd'. The difference here is that the Employer relies on the contiguous counties, while the Union relies on the additional nearby (but not contiguous) counties of Crawford and Columbia, as well as the cities of Mineral Point and Dodgeville.

It is noted that in support of its comparable group, the Employer relies on Arbitrator Rice's award involving another Iowa County bargaining unit. They suggest that the opinion held that its grouping of Sauk, Richland, Grant, LaFayette, and Green is the appropriate comparable group for Iowa County. The Union points out, however, that it was the Employer in that case that argued for the inclusion of Crawford and Columbia. A review of the Award shows this to be true. The Award also shows that the union in that case argued, as does the Employer here, for a group consisting of only the contiguous counties. Further, the Award shows that Arbitrator Rice found both groups to be acceptable and that he utilized both groups in his analysis. Given this and given the fact that both Crawford and Columbia County fall within the range of comparability criteria exhibited by the other agreed-upon comparables, it is appropriate to consider them comparable.

The other disputed comparables are the cities of Mineral Point and Dodgeville. The Arbitrator has little hesitation in dismissing the city of Mineral Point as a comparable. It is so small that there is a significant difference in the volume of law enforcement duties. This reflects on the responsibilities of the officers there compared to the officers in Iowa County. More importantly, it is difficult to say, based on this record, that the city of Mineral Point is a similar community to Iowa County as a whole.

The question of comparability between Iowa County and Dodgeville is a closer question. Dodgeville is much larger and is the county seat. The level of law enforcement activity for patrolmen there is somewhat similar. In terms of arbitral precedent, the Arbitrator is not convinced that there is a clear cut rule to exclude or include city units in county comparables or vice versa. This determination must be made on a case-by-case basis. Often where cities' police units are included with county units, they are either county seats and/or are so large that they dominate the population and character of the county to the extent they are similar, if not the same, communities. Another factor is the behavior

of the parties. Sometimes there is a history of considering the city as comparable in negotiations.

In this case the Arbitrator is not convinced that the city of Dodgeville is comparable as a "community" to Iowa County as a whole. It is relatively a small portion of the County's population. Moreover, the evidence does not answer questions about similarities or dissimilarities in essential indices of comparability such as the nature of the tax base, income data, etc. Thus, it is difficult to say that they are essentially similar. Moreover, Dodgeville does not in any material way insofar as can be determined based on this record, dominate the demographics of Iowa County. Last, given the recent problems in agriculture, it seems appropriate for this case in particular to consider only other governmental units that are rural in nature.

The Union argues that catch-up is necessary due to an unacceptable disparity in relative wage levels between it and the external comparables. The Employer primarily relies on the internal comparables and the amount of the wage increases in the external comparables. It has often been said that where there is an internal pattern it should prevail unless it can be said adherence would create an unacceptable disparity with the wage levels in comparable employers. The principle seems simple. The difficulty comes in when trying to (1) determine if there is a pattern and in determining its strength, (2) determining if there is an external wage-level disparity, and if there is, to what degree, and (3) weighing these two factors against each other.

The Parties have concentrated on the Patrol Officer classification since it is no doubt the bulk of the unit. The other classifications are Dispatcher/Jailer and Secretary/Matron. The following reflects the 1991 maximum wage levels for Patrol Officers:

1991 Annual Wage Rates

Grant	\$21,108
Green	24,835
LaFayette	20,783
Richland	22,524
Sauk	22,663*
Columbia	N/A
Crawford	<u>N/A</u>
Average	\$22,382
Iowa	\$20,880
Difference	- 1,502
from average	7.2%

*Employer Exhibit 16 lists the 1991 rate as 11.09 per hour. This is incorrect. The 1991 contract shows the rate of 11.64. According to Employer Exhibit 15, officers in Sauk work 1,947 hours on a 4 and 2 schedule. The contract is silent. The Union exhibits are silent as well, although it is clear the Union assumed they work 2,080 hours. The more specific data in the employer exhibits on hours per year are used.

A disparity over 7% representing roughly \$125 per month is significant at these wage levels. However, averages can be deceptive. In this case, Green County skews the average. None of the other comparables for which there is 1991 wage information even approaches Green County, which seems not to be representative of the normal range. The next highest wage is in Sauk and even that is \$2,172 less than Green County. The average created by the other comparables without Green County is probably more representative of a comparable consensus of where Iowa County ought to be. The average without Green County is \$21,768. Still Iowa is below this average by \$888 per year or \$74 per month. This kind of disparity approaches what might be considered significant but probably standing alone would not justify catch-up. It is necessary to look closely at the effect of the 1992 and 1993 offers on Iowa County's relative wage level.

The following reflects the maximum wage levels (without longevity) in the external comparables for 1992 year-end rates for patrol officers:

Grant	\$23,049
Richland	23,474
Columbia	25,438
Sauk	23,714
Green	24,835
Crawford	21,471
LaFayette	<u>22,426</u>
Average	\$23,486
Union offer	\$22,974
Difference to average	-512/2.2%
Employer offer	\$21,720
Difference to average	-1,766/8.1%

This data shows a large disparity between Iowa and the average under the Employer offer. Even if Green and Columbia are discounted as not being representative, thus viewing the data in a light most favorable to the Employer, the average is \$22,826. The Union would be slightly above this adjusted average and the Employer's offer would still result in a noteworthy disparity of \$1,106 per year or 5% per year, almost \$100 per month difference (\$92 to be precise). At these wage levels, when disparities are 5% or more and the dollar difference approaches \$100 per month, a significant disparity worthy of concern and attention exists. A hundred dollars per month can make a definite difference in one's standard of living.

The 1993 year-end maximum wage levels (not including longevity) for patrol officers are as follows:

Grant	\$24,215
Green	24,981
LaFayette	23,324
Richland	N/S
Sauk	24,065
Columbia	26,748
Crawford	<u>22,335</u>
Average	\$24,278
Union	\$24,123
Difference to Average	-155/.6%
County	\$22,812
Difference to Average	-1,466/6.4%

Again, against the raw average, the Union offer would result in a wage level close to the average. The Employer eases the 1992 disparity somewhat due to the lift created by the split increase. Even if the Arbitrator discounts Columbia County as outside the pattern, the average is \$23,784 and the Employer offer is still nearly \$1,000 (\$972) behind or 4.2%. None of this considers the longevity in many of the units. Of the comparables, only Green County doesn't have longevity. The longevity payments range from approximately \$480 per year to approximately \$1200 per year. Thus, when the wage rate disparity is considered along with longevity, the need for catch-up is even more clear.

The above analysis represents the disparities which would result under the respective offers. However, the equities in this regard must be weighed against the equities that arise where there is an internal pattern. It is well documented what those equitable concerns are. It is good public policy and good labor relations to try to treat employee groups equally. Bargaining instability and employee morale are negatively affected when employees are treated differently without compelling justification.

In this case if there is a pattern, it is not the strongest pattern this Arbitrator has seen. Only one other bargaining unit (the Courthouse) has settled. It is true that the final offers in the highway unit are closer to the Employer's offer. Nonetheless, there is no evidence showing a history of pattern bargaining. The internal pattern deserves the most weight when there is a history of units accepting like or identical wage proposals. There is no history cited here. Indeed, many nonrepresented management positions have received raises that cover a broad spectrum of percentages.

The Arbitrator's sense of it is that the internal pattern doesn't, in this case, deserve as much weight as it normally would. As noted, it isn't particularly broad based or rooted in history. Moreover, the pattern is somewhat less meaningful because it involves quite dissimilar groups. This isn't to say that Courthouse employees can never be compared to Law Enforcement units. It is to say that a Courthouse unit compares more favorably to a Highway Department.

In general, the Arbitrator must conclude that the Union's catch-up proposal deserves more weight than the Employer's internal comparable argument. The internal pattern, such as it is, must, in this instance, give way to the external comparables because adherence to the internal pattern results in too much further erosion. In this connection, the Employer is plainly wrong when it says their offer does not result in the Union losing ground. It does, and as such, the Employer's offer does little to address the wage disparity issue.

The Arbitrator recognizes that these wage levels are the result of voluntary bargains. However, the Employer didn't point to a particular bargain or quid pro quo where it could be said the Union had in the past agreed to accept a lower wage level in exchange for some other benefit. It must be recognized that disparate wage levels can be an unintentional result. If parties with a below average wage level continuously follow the pattern of percentage increases in the comparables, over time there will be erosion.

The Arbitrator recognizes that some of the County residents have faced some tough times. However, he is not convinced that funding the difference of \$69,232 in the offers will place an undue strain on the tax levy. In this regard, the Arbitrator notes some of the large Management/Administrative salary increases. If the County was truly in dire straits, one would expect to see prudence across the board. If there is some reasonable explanation for these higher increases, it is incumbent on the Employer to provide it.

In summary, the Union's final offer is more reasonable and consistent with the statutory criteria.

AWARD

The final offer of the Union is selected.

Gil Vernon, Arbitrator

Dated this ___ day of December 1993.

*(Mr. Vernon's Report and Fee Statement
indicates the date of the Award as
12-17-93.*

*WERC
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